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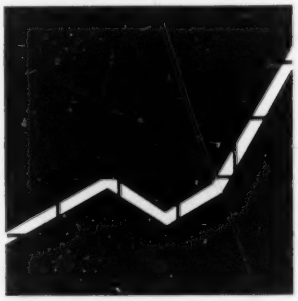

Colorado Business Review

BUSINESS RESEARCH DIVISION • GRADUATE SCHOOL OF BUSINESS ADMINISTRATION • UNIVERSITY OF COLORADO

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Volume LVII, Number 11, November 1984

Taking the Entrepreneurial Plunge

Roger H. Ford and Warren Keith Schilit

A great deal of attention has been given lately to excellent managers, successful entrepreneurs, and well run companies. Some of these success stories and formulas for duplicating them can be found in such recent best-sellers as Peters and Waterman's *In Search of Excellence*, Pascale and Athos' *The Art of Japanese Management*, and Ouchi's *Theory Z*.

These writings, however, deal exclusively with cases where success and excellence are found in established firms and existing managerial situations. The literature lacks discussions as to how this accumulated wisdom can be tapped by aspiring entrepreneurs. What has been learned that could be useful to the countless would-be entrepreneurs who have not yet committed themselves to the pursuit of their American Dream? If you are considering embarking on a new venture, are you satisfied that you know what you're getting into, and that you are prepared to deal with the endless business contingencies as they develop?

The following guidelines have been prepared from the authors' experience in their own businesses, as well as from extensive research in the area of entrepreneurship. They are intended to assist anyone who is considering starting a new business or buying an existing one. The guidelines, and the flow chart which follows, should be used as a checklist of early warning signals for consideration before taking the entrepreneurial plunge.

Know yourself

Be sure your expectations match your potential realizations. Ask yourself what your motivation is for starting a business. If you simply want to own your own firm so that you can attend Chamber of Commerce functions, then don't complain if that's all you get. From our experience, few new firms are destined to become big cash and profit generators. Decide what you expect out of the business, and then check to see if it is poised to be the kind of business you want it to be. With a little research you should be able to forecast the potential revenue (and profits) you can generate given such factors as total industry demand, location, plant capacity or store size, demographics, and projected market share. Don't expect naively that a 1,000-square-foot ice cream parlor will generate the same sales as a McDonald's franchise.

Be prepared to adjust your priorities

Anyone who has not run his or her own business cannot fully anticipate how radically the business can change one's life's priorities. Working for someone else or a public corporation allows endless methods of passing the buck for a creative employee. Even middle and upper level managers are selective about the type of assignments they choose to take home for the weekend.

When you're the boss, your telephone is fair game 24 hours a day, 7 days a week for anything from an irate customer whose $100 order was short to the banker who has decided to call in your credit line. There is no one else up there to worry about the multitude of potential problems when it's your business.

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Build connecting links with the business environment

Chances are that you already have some contacts in your industry if you are seriously considering starting a new venture. Take steps to develop further this network by visiting trade shows, joining professional associations, giving speeches, meeting the buyers, vendors, and even competitors. Also be sure to read the trade journals for your industry. You will find that these connecting links will be a rich source of information and contacts to help you get started and to grow. The network you build will become a surrogate for the resources you may lack in such areas as knowledge capital, equipment, and personnel.

Develop a comprehensive business plan

During the formative years of most new companies, planning is only in the mind of the owner. It is an extremely useful exercise to take these ideas out of your head and state them on paper before you start.

Develop your ideas into a comprehensive strategic plan covering such areas as your sales forecast, plant and equipment requirements, human resource needs, and a five-year cash flow projection. Of course, be sure to state exactly what you intend to offer the marketplace and why you feel there is a demand for your product or service.

The business plan is essential even in the preliminary stage of your business development for two important reasons. First, it will be requested by bankers, the Small Business Administration or venture capitalists when you attempt to obtain outside financing. Bankers love reports with neatly typed rows and columns of numbers. In addition, the plan will serve as a guide for your business' subsequent activity. As you get started you'll discover that a well-prepared plan can be a great device to attract good people and to keep them motivated.

Do you need a partner?

In some circumstances you should consider taking a partner. Certain types of ventures run smoothest as a sole proprietorship—for example, a small to medium sized retail outlet. Other more ambitious projects may be better

started with one or more partners, such as a new manufacturing operation requiring several diverse types of managerial skills.

In deciding whether to take on partners or to hire additional management as needed, consider the nature of your product. If you are going to require top-notch talent with skills that you lack, such as a design engineer, it may make sense to find one and start out as a partnership. On the other hand, if you feel qualified to deal with most of the key decisions yourself (as in a retail outlet where you have a good deal of experience), avoid the potential conflicts of a partnership and enter the business alone.

Should you decide to start out as a partnership, consider the following key criteria:

(1) What does the partner "bring to the table?" Each principal should be bringing substantial resources (talent) to the organization. It's not good enough to make someone a partner simply because you can't afford salaries or because the individual can make a minor or temporary contribution.

(2) Does the partner share your values and goals for the new venture? Don't make the common error of starting a partnership only to have to dissolve it in its infancy because you did not see eye-to-eye on the firm's mission.

(3) Make certain you're compatible. View a partnership as you would a marriage. You're going to be spending a tremendous amount of time together (maybe more than a husband and wife), so be sure you get along well enough to be able to put up with each other during the day-to-day operations. There is a danger, however, in having partners who are too compatible. As one very successful entrepreneur we know likes to say, "Whenever two people always think alike, one of them isn't needed."

Be sure you have adequate capital

One of the major reasons for failure in the first year is lack of capital. Most new businesses underestimate the amount of cash necessary to reach a break-even point and positive cash flow. More than likely your own savings, plus that which you can obtain from friends and relatives, will be inadequate to get your business established. Make contacts early with a commercial banker and an accountant who can help you identify outside sources of debt financing and venture capital.

Don't throw away your equity

In the rush to get the new business started, many entrepreneurs eagerly accept funding from venture capitalists, leaving the entrepreneur with a minority equity position in the firm. This should be the last resort when capitalizing your venture. While many entrepreneurs view equity financing as a "free loan," in reality it comes with many strings attached, often including loss of control of the business.

Giving 51% or more to an outside investor group means that your operation's autonomy could be cut short by merger, consolidation, or liquidation. Further, you could be fired and replaced. If venture capital seems to be the only way to make your dream a reality, protect yourself with specific employment and operations contracts, ensuring that you maintain control of the business's development.

Develop a marketing orientation

Before you invest a dime on your product or service, get close to your targeted customers to find out what they actually need and want from you. As you get started try to spend 10 to 20% of your time meeting your key prospects. If you lack a sales and marketing background, get someone on your management team that has this experience. Having a director of marketing and sales will also give you added credibility as you attempt to obtain outside financing.

Be prepared to delegate authority

Whether you start as a partnership or hire all your human resources, eventually you'll have to delegate some decision-making power. Naturally you're the one who had the talent and insight to get the business started, but as the business grows it will be physically impossible for you to make all the important decisions yourself. Plan for that eventuality by hiring people with a diverse set of backgrounds in whom you have confidence. Learn to delegate gradually, and you will be developing your future managers at the same time. Remember that people tend to support what they help to create. Therefore, sharing power will help motivate your employees.

Understand that good performance isn't cheap

A certain amount of turnover is inevitable in any business; people leave organizations for many reasons. However, you should be able to control departures for financial reasons. You probably won't be able to offer attractive compensation plans in the beginning, but key people can be attracted by other means. One or two people with critical skills might be offered an equity position or even a partnership, as suggested above. Others can be attracted and held by contracts offering future bonuses, less expensive benefits which are untaxed (such as health insurance), and even limited stock options. You can't expect to build a good company without good people, so be prepared to use your creativity, as well as income, to attract and keep them.

Recognize the risk of failure

Finally, a clear understanding of the risks involved should precede any attempt to begin a new venture. Roughly 50% of all new businesses formed in the United

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States fail their first year in operation. The actual rate of failure has been a widely debated topic for over a decade. It is clear, however, that many businesses fail in their first few years of operation. Others, while not actually bankrupt, will liquidate due to the owner's dissatisfaction with returns or other problems associated with business ownership. This question is much more pertinent if you are considering giving up a position in a successful career to pursue your venture. We're not suggesting that you shouldn't take risks. Just be sure that you take only intelligent risks.

SUMMARY

This set of guidelines is by no means exhaustive, nor will it ensure success. By following these guidelines, however, an aspiring entrepreneur might avoid some of the pitfalls commonly experienced by other entrepreneurs. Figure 1 may help you address the key questions that must be asked before starting your new business. When you can satisfy all the questions through the steps, then maybe you should take the entrepreneurial plunge. If you are concerned about the implications of any of the guidelines, however, perhaps your venture needs additional thought before you commit yourself.

The risks involved in starting a new venture are enormous, but where there is risk there is also potential for tremendous rewards. Combine your enthusiasm and ideas with a systematic approach utilizing the above guidelines and you should be better prepared to face the challenge of entrepreneurship.

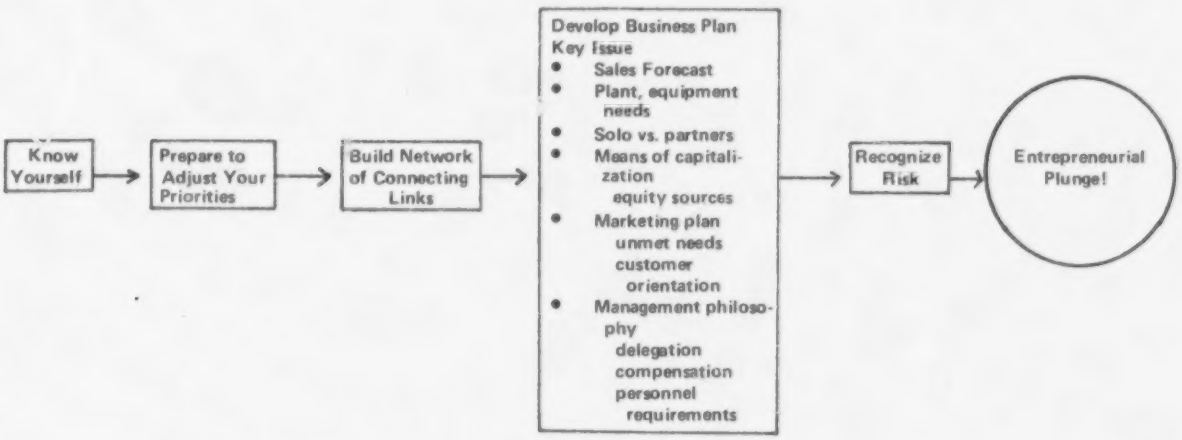

FIGURE 1

FLOW CHART FOR THE ASPIRING ENTREPRENEUR

COLORADO BUSINESS REVIEW TO CEASE PUBLICATION

The *Colorado Business Review* will discontinue publication with the December 1984 issue. The *Review* has had a long and distinguished record in providing the business and academic communities with research, statistical data, and articles. When the publication started it was one of the few sources of business and economic data in the state. But just as the Colorado economy has changed and expanded so has the number of publications and space devoted to business conditions. No reader needs to be in the dark about conditions with the many sources currently available.

Most of the statistical research and data included in the *Review* is being collected and published by other agencies and generally on a more current basis. The availability of alternative sources and publications, budget considerations, and personnel changes make this an appropriate time to discontinue the *Review*.

COLORADO BUSINESS INDICATORS
(Figures in Thousands Unless Otherwise Indicated)

	July 1984	June 1984	July 1983	Percent Change July 1984 from June 1984	Percent Change July 1984 from July 1983
Total Civilian Labor Force (by place of residence)[a]	1,743.2	1,743.3	1,692.6r	- 0.0	3.0
Unemployment	85.2	87.5	102.9	- 2.6	-17.2
Unemployment Rate (percent)	4.9	5.0	6.1	—	—
Employment	1,658.0	1,655.8	1,589.7	0.1	4.3
Nonagricultural Wage and Salary	1,608.4	1,609.4	1,539.4	- 0.1	4.5
Agricultural	49.6	46.4	50.3	6.9	- 1.4
Total Nonagricultural Wage and Salary Employment (by place of work)[a]	1,359.3	1,369.2	1,322.3	- 0.7	2.8
Mining	37.6	37.6	37.4	0.0	0.5
Metallic Minerals	6.9	6.9	5.8	0.0	19.0
Bituminous Coal, Lignite, and Nonmetallic	5.5	5.3	4.8	3.8	14.6
Oil and Gas Extraction	25.2	25.5	26.9	- 1.2	- 6.3
Contract Construction	89.3	88.4	86.1	1.0	3.7
Manufacturing	189.9	188.5	181.7	0.7	4.5
Lumber, Wood Products, and Furniture	6.2	6.4	6.4	- 3.1	- 3.1
Stone, Clay, Glass, and Concrete Products	10.1	10.1	9.3	0.0	8.6
Primary and Fabricated Metals	15.0	15.0	14.2	0.0	5.6
Machinery, Except Electrical	29.1	28.9	26.4	0.7	10.2
Electric and Electronic Equipment	19.8	20.0	19.3	- 1.0	2.6
Transportation Equipment	15.6	15.3	13.6	2.0	14.7
Other Durable Goods	27.8	27.7	28.1	0.4	- 1.1
Food and Kindred Products	24.5	23.7	24.6	3.4	- 0.4
Textiles and Apparel	3.2	3.2	3.0	0.0	6.7
Paper and Allied Products	2.2	2.2	2.0	0.0	10.0
Printing and Publishing	19.7	19.5	18.8	1.0	4.8
Chemicals and Allied Products	8.4	8.4	7.8	0.0	7.7
Other Nondurable Goods	8.2	8.1	8.0	1.2	2.5
Finance, Insurance, and Real Estate	89.2	88.6	87.0	0.7	2.5
Banking	22.3	22.3	22.3	0.0	0.0
Credit Agencies Other than Banks	15.1	14.8	14.7	2.0	2.7
Insurance Carriers, Agents, and Brokers	21.4	21.3	20.8	0.5	2.9
Real Estate and Combination Offices	22.7	22.4	22.2	1.3	2.3
Other Finance, Insurance, and Real Estate	7.7	7.8	7.1	- 1.3	8.5
Transportation and Public Utilities	86.3	85.9	85.9	0.5	0.5
Railroad Transportation	5.8	6.0	5.9	- 3.3	- 1.7
Trucking and Warehousing	17.1	17.1	16.7	0.0	2.4
Air Transportation	15.4	15.1	15.5	2.0	- 0.7
Other Transportation	6.8	6.7	6.6	1.5	3.0
Communications, Electric, Gas, and Sanitary Services	41.2	41.1	41.2	0.2	0.0
Trade	336.1	335.3	326.8	0.2	2.9
Wholesale Trade	80.0	79.9	79.0	0.1	1.3
Retail Trade	256.1	255.4	247.8	0.3	3.4
Services	300.0	299.8	289.5	0.1	3.6
Lodging and Combination Lodging/Eating Places	26.6	26.2	26.1	1.5	1.9
Personal Services	15.1	15.2	14.6	- 0.7	3.4
Business Services	60.1	60.3	56.0	- 0.3	7.3
Auto and Miscellaneous Repair Services	14.8	14.7	14.3	0.7	3.5
Amusements and Recreation	18.4	17.8	18.7	3.4	- 1.6
Health Services	75.7	76.0	75.0	- 0.4	0.9
Educational Services	10.0	10.5	8.7	- 4.8	14.9
Membership Organizations	22.0	21.8	21.2	0.9	3.8
Other Services	57.4	57.2	54.9	0.4	4.6
Government	230.9	245.1	227.9	- 5.8	1.3
Federal	53.1	52.8	53.2	0.6	- 0.2
State	51.7	53.2	49.9	- 2.8	3.6
Local	126.1	139.0	124.8	- 9.3	1.0

	July 1984	June 1984	July 1983	Percent Change July 1984 from June 1984	Percent Change July 1984 from July 1983
Average Weekly Hours					
Construction	39.5	39.5	39.3	0.0	0.5
Manufacturing	40.9	41.0	40.0	- 0.2	2.3
Durable Goods	41.4	41.5	40.5	- 0.2	2.2
Nondurable Goods	40.1	40.2	39.1	- 0.3	2.6
Average Weekly Earnings ($)					
Construction	513.10	515.08	521.90	- 0.4	- 1.7
Manufacturing	382.01	382.94	360.00	- 0.2	6.1
Durable Goods	395.37	395.91	367.33	- 0.1	7.6
Nondurable Goods	360.50	361.80	347.21	- 0.4	3.8
Initial Unemployment Claims (000)	10.9	10.7	14.1	1.9	-22.7
Bankruptcies, All Types (number)	493	494	480	- 0.2	2.7
Total State Revenue ($000)	596,016	737,664	205,895	-19.2	189.5
Total State Expenditures ($000)	200,667	573,492	203,283	-65.0	- 1.3
Crude Oil Production (thous. bbls.)	n.r.	2,508	2,634	—	—
Dry Gas Production (mil. cu. ft.)	n.r.	9,927	9,420	—	—
Coal Production	1,006.9	1,554.8	923.2	-35.2	9.1
New Oil and Gas Wells (number)	n.r.	171	152	—	—
Natural Gas Used (bil. cu. ft.)	5.3	5.7	5.6	- 7.0	- 5.4
Electrical Power Sales (mil. kwh)					
Residential	485.2*	480.6	464.2	1.0	4.5
Nonresidential	1,243.0	1,081.1	1,110.5	15.0	11.9
New Construction, 122 places					
Residential permits (number)	1,895	2,467	2,903	-23.2	-34.7
Residential value ($000)	168,254	186,301	190,956	- 9.7	-11.9
Nonresidential permits (number)	300	250	328	20.0	- 8.5
Nonresidential value ($000)	161,374	125,037	52,569	29.1	207.0
Highway Contractor Payments ($000)	24,204	18,466	11,616	31.1	108.4
Savings and Loan Net New Savings ($000,000)	63.1	49.4	74.0r	27.7	-14.7
National Park Recreational Visits—10 Areas (000)	1,137.2	695.5	1,204.8	63.5	- 5.6
Motor Vehicle Title Applications (000)	85.3	117.8	107.7	-27.6	-20.8
Highway Vehicle Traffic Counts at Border Stations (daily average)	54,418	48,750	50,673	11.6	- 4.0
Air Passengers, Stapleton (000)[b]	2,709	2,651	2,428	2.2	11.6
Air Freight and Air Express, Stapleton (thous. lbs.)	26,225	26,007	29,439	0.8	-10.9
Prices Received by Farmers ($)					
Beef Cattle (per cwt)	64.50	62.90*	61.90	2.5	4.2
Lamb (per cwt)	61.90	55.40*	52.70	11.7	17.5
Wheat (per bu.)	3.17	3.26*	3.12	- 2.8	1.6
Corn (per bu.)	3.32	3.32*	3.30	0.0	0.6
Potatoes (per cwt)	—	7.05*	—	—	—
Wool (per lb.)	.75	.80	.48	- 6.3	56.3

NOTES: An asterisk (*) indicates preliminary data subject to revision.
Revised data are marked (r).
n.r.—not reported.

[a]Employment figures have been updated to a March 1983 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a December 1981 benchmark. Thus, these data are not comparable to that published prior.

[b]Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.
Bankruptcies from the Office of the Federal Referee in Bankruptcy.
State Revenue and Expenditures from the State Controller's Office.
Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.
Coal Production from Colorado State Coal Mine Inspection Department.
Natural Gas Used from Colorado Interstate Gas Company.
Electrical Power Sales from 17 individual companies.
New Construction from Bureau of the Census, U.S. Department of Commerce.
Highway Contractor Payments from the Colorado Highway Department.
Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.
Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.
Recreational Visits from National Park Service, Denver.
Highway Traffic counts from Colorado Highway Department.
Air Passengers, Freight, and Express from Stapleton International Airport Business Office.
Prices Received by Farmers from U.S. Department of Agriculture.

LOCAL BUSINESS CONDITIONS
(All Figures in Thousands)

	July 1984	June 1984	July 1983
ALAMOSA (1982 pop. 7,182)			
Electric Power (kwh)	3,027	2,997	2,681
Constr. ($)—Res.	n.r.	40	60
—Nonres.	n.r.	60	0
Deposits ($) (2 of 2 banks)	52,267	51,015	52,271
ARVADA (1982 pop. 91,262)			
Electric Power (kwh)	28,331	26,846	26,009
Constr. ($)—Res.	3,166	3,836	3,228
—Nonres.	3,762	158	4,671
Deposits ($) (4 of 5 banks)	126,291	123,203	109,215
ASPEN (1982 pop. 4,081)			
Electric Power (kwh)	2,701	2,465	2,616
Constr. ($)—Res.	956	251	531
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	78,510*	77,772*	93,406
AURORA (1982 pop. 178,665)			
Electric Power (kwh)	101,589	86,837	83,486
Constr. ($)—Res.	27,614	15,148	20,068
—Nonres.	15,030	7,247	1,495
Deposits ($) (13 of 16 banks)	329,741	324,450	285,106
BOULDER (1982 pop. 80,651)			
Electric Power (kwh)	65,093	55,787	57,560
Constr. ($)—Res.	2,683	4,459	3,901
—Nonres.	475	3,780	1,499
Deposits ($) (10 of 10 banks)	624,773	578,318	585,554
BRIGHTON (1982 pop. 13,239)			
Electric Power (kwh)	5,330	4,808	4,526
Constr. ($)—Res.	262	235	187
—Nonres.	172	225	0
Deposits ($) (2 of 2 banks)	75,601	71,280	63,196
BROOMFIELD (1982 pop. 22,452)			
Electric Power (kwh)	10,953	10,300	8,744
Constr. ($)—Res.	4,782	1,512	526
—Nonres.	0	155	1,371
Deposits ($) (2 of 2 banks)	70,834	69,396	60,811
CANON CITY (1982 pop. 13,576)			
Electric Power (kwh)	23,670	22,985	23,890
Constr. ($)—Res.	155	139	131
—Nonres.	0	50	0
Deposits ($) (3 of 3 banks)	119,227	115,960	108,657
COLORADO SPRINGS (1982 pop. 230,553)			
Electric Power (kwh)	182,948	169,218	162,267
Constr. ($)—Res.[a]	25,066	32,061	23,301
—Nonres.	56,568	26,107	6,031
Deposits ($) (18 of 21 banks)	1,193,669	1,173,992	1,046,925
COMMERCE CITY (1982 pop. 16,412)			
Electric Power (kwh)	26,569	27,221	31,613
Constr. ($)—Res.	0	321	339
—Nonres.	999	0	340
Deposits ($) (1 of 1 bank)	31,731	30,845	26,355
CORTEZ (1982 pop. 7,489)			
Electric Power (kwh)	3,536	3,492	3,429
Constr. ($)—Res.	147	76	112
—Nonres.	60	337	0
Deposits ($) (3 of 3 banks)	101,068	100,744	93,148
CRAIG (1982 pop. 10,000)			
Electric Power (kwh)	3,692	3,862	3,697
Constr. ($)—Res.	0	0	0
—Nonres.	5	0	0
Deposits ($) (2 of 2 banks)	65,731	61,069	62,342

	July 1984	June 1984	July 1983
DENVER (1982 pop. 500,600)			
Electric Power (kwh)	362,366	342,716	348,066
Constr. ($)—Res.	16,243	30,061	19,671
—Nonres.	4,757	16,850	3,396
Deposits ($) (45 of 48 banks)	7,385,218*	7,434,079*	7,174,334
DURANGO (1982 pop. 12,276)			
Electric Power (kwh)	n.r.	n.r.	6,361
Constr. ($)—Res.	264	343	1,478
—Nonres.	2	117	90
Deposits ($) (4 of 4 banks)	156,153	153,292	135,512
ENGLEWOOD (1982 pop. 30,555)			
Electric Power (kwh)	23,938	22,222	21,805
Constr. ($)—Res.	161	179	210
—Nonres.	1,469	81	98
Deposits ($) (10 of 14 banks)	463,721*	491,914	412,707
ESTES PARK (1982 pop. 2,934)			
Electric Power (kwh)	5,166	4,673	4,967
Constr. ($)—Res.	78	420	73
—Nonres.	0	0	211
Deposits ($) (2 of 2 banks)	45,234	41,987	42,774
FORT COLLINS (1982 pop. 68,307)			
Electric Power (kwh)	39,343	42,767	42,239
Constr. ($)—Res.	5,626	5,702	4,522
—Nonres.	9,493	2,118	1,906
Deposits ($) (9 of 9 banks)	457,592	466,377	399,619
FORT MORGAN (1982 pop. 8,913)			
Electric Power (kwh)	8,204	7,301	8,189
Constr. ($)—Res.	75	78	22
—Nonres.	32	0	0
Deposits ($) (3 of 3 banks)	107,319	105,708	96,562
GLENWOOD SPRINGS (1982 pop. 5,000)			
Electric Power (kwh)	5,734	4,861	5,053
Constr. ($)—Res.	0	256	0
—Nonres.	0	0	0
Deposits ($) (4 of 4 banks)	141,846	136,144	129,533
GOLDEN (1982 pop. 13,109)			
Electric Power (kwh)	6,621	5,970	5,728
Constr. ($)—Res.	633	888	644
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	178,985	178,247	156,501
GRAND JUNCTION (1982 pop. 32,082)			
Electric Power (kwh)	21,331	19,530	20,713
Constr. ($)—Res.	0	0	320
—Nonres.	0	874	116
Deposits ($) (6 of 6 banks)	338,020	343,777	339,897
GREELEY (1982 pop. 54,063)			
Electric Power (kwh)	28,512	26,396	28,468
Constr. ($)—Res.	859	831	1,087
—Nonres.	597	714	2,172
Deposits ($) (9 of 9 banks)	493,501	488,669	488,870
GUNNISON (1982 pop. 6,031)			
Electric Power (kwh)	3,313	3,126	3,259
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	54,049	51,995	48,489
LA JUNTA (1982 pop. 8,338)			
Electric Power (kwh)	5,832	4,967	5,680
Constr. ($)—Res.	0	0	0
—Nonres.	941	0	0
Deposits ($) (2 of 2 banks)	58,960	61,189	55,583

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LOCAL BUSINESS CONDITIONS—Continued

	July 1984	June 1984	July 1983
LAFAYETTE (1982 pop. 10,115)			
Electric Power (kwh)	2,955	2,773	2,637
Constr. ($)—Res.	718	1,409	857
—Nonres.	367	1,265	18
Deposits ($) (1 of 1 bank)	n.r.	19,333	16,851
LAKEWOOD (1982 pop. 117,436)			
Electric Power (kwh)	62,134	58,992	57,386
Constr. ($)—Res.	2,052	11,374	3,845
—Nonres.	1,802	3,915	715
Deposits ($) (12 of 12 banks)	584,010*	627,889*	580,218
LAMAR (1982 pop. 7,793)			
Electric Power (kwh)	7,815	6,982	782
Constr. ($)—Res.	54	70	84
—Nonres.	151	227	38
Deposits ($) (2 of 2 banks)	87,280	85,463	82,137
LITTLETON (1982 pop. 30,001)			
Electric Power (kwh)	19,764	18,571	16,879
Constr. ($)—Res.	n.r.	2,604	3,853
—Nonres.	6,949	451	364
Deposits ($) (9 of 12 banks)	228,399	224,542	176,880
LONGMONT (1982 pop. 46,313)			
Electric Power (kwh)	24,821	25,659	22,606
Constr. ($)—Res.	3,686	3,225	2,719
—Nonres.	2,743	7,573	424
Deposits ($) (5 of 6 banks)	239,071	236,402	206,691
LOUISVILLE (1982 pop. 6,067)			
Electric Power (kwh)	2,990	10,708	9,859
Constr. ($)—Res.	2,822	2,048	5,846
—Nonres.	403	334	0
Deposits ($) (2 of 2 banks)	31,567	30,947	26,914
LOVELAND (1982 pop. 30,962)			
Electric Power (kwh)	20,499	20,455	22,208
Constr. ($)—Res.	2,848	1,957	3,219
—Nonres.	1,316	1,945	603
Deposits ($) (5 of 5 banks)	172,287	169,854	151,173
MONTROSE (1982 pop. 8,895)[b]			
Constr. ($)—Res.	165	51	318
—Nonres.	500	0	34
Deposits ($) (3 of 3 banks)	125,880	120,218	110,788
NORTHGLENN (1982 pop. 30,980)			
Electric Power (kwh)	11,572	11,183	10,897
Constr. ($)—Res.	n.r.	120	0
—Nonres.	n.r.	0	3,948
Deposits ($) (2 of 3 banks)	78,584	74,536	71,341
PUEBLO (1982 pop. 99,619)			
Electric Power (kwh)	53,251	48,430	51,403
Constr. ($)—Res.	208	136	493
—Nonres.	820	0	206
Deposits ($) (8 of 9 banks)	323,548*	418,919	394,226
ROCKY FORD (1982 pop. 4,574)			
Electric Power (kwh)	6,063	5,185	5,928
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (1 of 2 banks)	14,284	14,032	14,241
SALIDA (1982 pop. 4,478)			
Electric Power (kwh)	1,755	1,802	1,383
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	41,599	40,659	40,461
STERLING (1982 pop. 11,470)			
Electric Power (kwh)	6,427	5,812	6,300
Constr. ($)—Res.	0	110	0
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	148,878	147,593	143,524
THORNTON (1982 pop. 44,130)			
Electric Power (kwh)	17,107	16,079	15,907
Constr. ($)—Res.	3,537	3,862	2,460
—Nonres.	793	15,531	1,293
Deposits ($) (1 of 1 bank)	31,604	32,020	27,381
TRINIDAD (1982 pop. 9,900)			
Electric Power (kwh)	2,754	2,851	2,866
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	60,260	59,344	57,137
WESTMINSTER (1982 pop. 54,995)			
Electric Power (kwh)	21,006	24,530	20,119
Constr. ($)—Res.	5,128	5,533	9,402
—Nonres.	4,920	0	500
Deposits ($) (3 of 3 banks)	120,558	114,178	100,717
WHEAT RIDGE (1982 pop. 31,743)			
Electric Power (kwh)	25,754	22,972	24,038
Constr. ($)—Res.	253	1,101	1,167
—Nonres.	604	67	273
Deposits ($) (2 of 2 banks)	107,510	106,862	90,917

[a] Regional figures.
[b] Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.
Construction figures are valuation of new residential and nonresidential construction only.
Deposit figures are total deposits in commercial banks as of last day of month.
n.r.—not reported
*—preliminary data
r—revised data